

Testimony on Senate Bill 215 Senate Committee on Transportation and Elections October 13, 2011

Thank you, Chairwoman Lazich, and members of the committee for holding a hearing on Senate Bill 215. I apologize that I could not attend in person today but I want to thank you for accepting my submitted testimony.

Senate Bill 215 (SB 215) is a simple bill that would create a new registration category for trailers or semitrailers. Current law prescribes that registration fees will be paid based on two weight levels: 12,000 pounds or 16,000 pounds. SB 215 would create a new category for registering a trailer weighing more than 12,000 pounds but not more than 14,000 pounds.

This bill is being brought forth to ensure that Wisconsin has a maximum trailer weight before the truck or trailer combination is subject to the Federal Fuel Excise Tax. Federal law states that any truck or trailer combination weighing 26,001 pounds or more is subject to the Federal Fuel Excise Tax if they cross state lines. Along with this tax, the driver is subject to maintenance of records, including odometer readings, gas receipts, and travel logs. This information must be filed and maintained for upwards of five years if the weight is over 26,001 pounds.

Many small businesses tend to haul trailers and goods that are greater than 12,000 pounds; therefore, they are subject to the 16,000 pound registration. Adding on the weight of the truck, which tends to be 12,000 pounds, this will create a total combination of 28,000 pounds. If the business has the option to register with 14,000 pounds, this will bring the total to 26,000 pounds, which is the maximum weight before the tax and paperwork requirements kick in.

In the end, this excise tax is money that is being paid to other states for their road use, so this bill will not cause a decrease in revenue for Wisconsin. This is, however, an opportunity for many small businesses around the state to save money by giving them the opportunity to register a smaller, and even

more accurate, trailer weight. On the other hand, some businesses may be choosing to only carry 12,000 pounds now in order to avoid the burdensome paperwork even though they have the potential to haul more. This legislation will now allow Wisconsin businesses who are currently operating in this fashion to carry an extra 2,000 pounds, which for a small business can mean saving hundreds of dollars on each trip.

There were concerns raised with the bill regarding the fees assigned for this new registration weight. It was the intent of the bill to be revenue neutral, and I know Representative Tiffany and his staff have been working with the Department of Transportation to obtain that goal. I am sure Representative Tiffany will touch on this, and a possible amendment, during his testimony.

Again, I would like to thank the committee members for holding a public hearing on Senate Bill 215. I would also like to thank Representative Tiffany for his work on this legislation. I urge your concurrence on Senate Bill 215 and thank you for your consideration.